

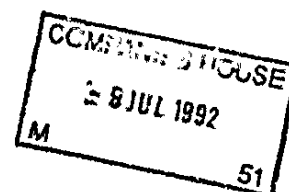
COMPANY NO. 2174990

WARDSWIFT GROUP PLC

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 1992



WARDSWIFT GROUP PLC

OFFICERS AND ADVISERS

Directors: Mr P D J Kelly
Mr R H Willans

Secretary and Registered Office:
Mr R H Willans
4 Cliveden Office Village
Lancaster Road
High Wycombe
Bucks
HP12 3YZ

Auditors: Grant Thornton
Chartered Accountants
The Old Registry
Amersham Hill
High Wycombe
Bucks
HP13 6NA

Bankers: National Westminster Bank Plc
P O Box 17
33 High Street
High Wycombe
Bucks
HP11 2AJ

Solicitors: Waldron, Wetherell & Co
Kings Head House
15 London End
Beaconsfield
Bucks
HP9 2HN

WARDSWIFT GROUP PLC

REPORT OF THE DIRECTORS

The directors present their report together with financial statements for the year ended 31 March 1992.

1. Principal activities

The company is principally engaged in recruitment consultancy.

2. Review of the business

The profit for the year after taxation is stated on page 5. The directors recommend payment of a dividend of 51.1 pence per share. The remaining profits have been transferred to reserves.

3. Directors

The directors in office at the end of the year are listed below.

The interests of the directors and their families in the shares of the company at 31 March 1992 and at 31 March 1991 as recorded in the register maintained by the company in accordance with the provisions of the Companies Act 1985, were as follows:

1992 and 1991
Ordinary Shares

Mr P D J Kelly

50,000

4. Fixed assets

Movements

The principal items of capital expenditure was computer equipment costing £10,289, and office equipment of £6,415.

The net book amount of fixed assets sold during the year was £11,898.

WARDSWIFT GROUP PLC

REPORT OF THE DIRECTORS (CONTINUED)

6. Auditors

Grant Thornton were appointed auditors during the year and offer themselves for reappointment as auditors in accordance with Section 385 of the Companies Act 1985.

Registered office:

4 Cliveden Office Village
Lancaster Road
High Wycombe
Bucks
HP12 3YZ

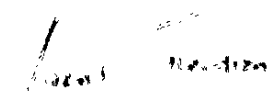
BY ORDER OF THE BOARD

Director

REPORT OF THE AUDITORS TO THE MEMBERS OF
WARDSWIFT GROUP PLC

We have audited the financial statements on pages 5
to 18 in accordance with Auditing Standards.

In our opinion the financial statements give a true
and fair view of the state of the company's affairs at
31 March 1992 and of its profit and cash flows
for the year then ended and have been properly prepared
in accordance with the Companies Act 1985.


Grant Thornton
Registered Auditor
Chartered Accountants

Thames Valley office
High Wycombe

24 June 1992

WARDSWILET GROUP PLC

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 1992

	Note	1992 £	1991 £
Turnover	2	486,676	623,347
Cost of sales		(196,725)	(207,801)
Gross profit		289,951	415,546
Administrative expenses		(231,344)	(383,574)
Operating profit		58,607	31,972
Interest receivable and similar income		6,995	-
Interest payable and similar charges	3	(6,328)	(6,326)
Income from participating interests		12,084	-
Profit on ordinary activities before taxation	2	70,358	25,646
Tax on profit on ordinary activities	5	(18,189)	(11,878)
Profit on ordinary activities after taxation		52,169	13,768
Dividend paid		(25,563)	-
Profit for the financial year retained	12	<u>£ 26,606</u>	<u>£ 13,768</u>

The notes on pages 6 to 18 form part of these financial statements.

WARRENWILL GROUP PLC

BALANCE SHEET AT 31 MARCH 1992

	Note	1992	1991
		£	£
Fixed assets			
Tangible assets	6	60,799	78,493
Investments	7	18,572	18,572
		79,371	97,065
Current assets			
Debtors	8	76,411	68,620
Cash at bank		47,143	47,263
		123,554	115,883
Creditors:			
amounts falling due within one year	9	107,391	133,301
Net current assets/ (liabilities)		16,163	(17,418)
Total assets less current liabilities		95,534	79,647
Creditors:			
amounts falling due after more than one year	10	25,461	36,580
		£ 70,073	£ 43,067
Capital and reserves			
Called up share capital	11	21,875	21,875
Profit and loss account	12	48,198	21,192
		£ 70,073	£ 43,067

The financial statements were approved by the directors on: 24th June 1992

Director

The notes on pages 8 to 18 form part of these financial statements.

WARD SWIFT GROUP PLC

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 1992

	Note	1992	1991
		£	£
Net cash inflow from operating activities	16	82,844	79,190
Returns on investments and servicing of finance			
Interest received	6,995	-	-
Interest paid	(6,328)	(6,526)	(6,526)
Dividends received	9,063	-	-
Dividends paid	(25,563)	-	-
Net cash outflow from returns on investments and servicing of finance		(15,833)	(6,526)
Taxation			
UK corporation tax paid		(10,023)	(7,000)
Investing activities			
Purchase of tangible fixed assets	(16,704)	(65,730)	(65,730)
Sale of tangible fixed assets	21,917	15,000	15,000
Net cash inflow/(outflow) from investing activities		5,215	(50,730)
Net cash inflow before financing		62,203	14,934
Financing	17		
Issue of shares	-	9,375	9,375
Capital element of finance lease rentals	(11,039)	14,122	14,122
		(11,039)	23,497
Net cash inflow from financing			
increase in cash and cash equivalents	18	£51,164	£38,431

WARDSWIFT GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1992

1. Accounting policies

The financial statements have been prepared under the historical cost convention.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

a) Turnover

Turnover is the total amount receivable by the company in the ordinary course of business with outside customers for goods supplied as a principal and for services provided, excluding VAT and trade discounts.

b) Depreciation

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by annual instalments over their expected useful lives.

The rates generally applicable are:

Office equipment	15% reducing balance
Computer equipment	33% straight line
Motor vehicles	25% reducing balance

WARDSWIFT GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 1992

c) Deferred tax

Deferred tax is the tax attributable to timing differences between profits or losses as computed for tax purposes and results as stated in the financial statements.

Deferred tax is provided to the extent that it is probable that a liability or asset will crystallise and not provided to the extent that it is probable that a liability or asset will not crystallise.

Deferred tax is calculated at the rates at which it is estimated that the tax will be paid when the timing differences reverse.

d) Leased assets

Where assets are financed by leasing agreements which give risks and rewards approximate to ownership ("finance leases") they are treated as if they had been purchased outright on credit. They are therefore initially recorded as a fixed asset and a liability at a sum equal to the fair value of the asset. Leasing payments on such assets are regarded as consisting of a capital element which reduces the outstanding liability and an interest charge (calculated using the "rule of 78").

All other leases are regarded as operating leases and the total payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

e) Contributions to pension funds

Defined contribution scheme

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

WARDSWIFT GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 1992

2. Turnover and profit on ordinary activities before taxation

The turnover and profit before taxation is attributable to one activity, which is carried on in a single geographical market.

Profit on ordinary activities is stated after:

	<u>1992</u> £	<u>1991</u> £
Auditors' remuneration	3,800	3,500
Hire of plant and machinery	11,997	9,966
Depreciation of tangible fixed assets - owned	15,329	17,365
- held under hire purchase agreements	<u>7,171</u>	<u>9,562</u>

3. Interest payable and similar charges

	<u>1992</u>	<u>1991</u>
On bank loans, overdrafts and other loans		
- repayable within 5 years, otherwise than by instalments	<u>£6,328</u>	<u>£6,526</u>

WARDSWIFT GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 1992

4. Directors and employees

The average number of employees of the company during the year and their aggregate emoluments are shown below:

	1992 £	1991 £
Wages and salaries	98,508	188,218
Social security	8,958	17,129
Pension costs	375	3,945
	<u>£107,841</u>	<u>£209,292</u>
Average number of employees	<u>7</u>	<u>10</u>

Staff costs include remuneration in respect of directors, as follows:

	1992	1991
Directors remuneration (including benefits in kind)	17,250	9,600
Pension contributions	2,595	2,400
	<u>£19,845</u>	<u>£12,000</u>

5. Tax on profit on ordinary activities

The taxation charge is based on the profit for the year and is made up as follows:

	1992 £	1991 £
United Kingdom corporation tax @ 25% (1991 @ 25%)	16,551	11,878
Under provision of corporation tax for previous years	1,638	-
	<u>£18,189</u>	<u>£11,878</u>

WARDSWIFT GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 1992

6. Tangible fixed assets

	Total	Office equipment	Computer equipment	Motor vehicles
	£	£	£	£
Cost				
At 1 April 1991	127,044	37,825	26,474	62,745
Additions at cost	16,704	6,415	10,289	-
Disposals	(16,000)	-	(10,000)	(6,000)
At 31 March 1992	127,748	44,240	26,763	56,745
Depreciation				
At 1 April 1991	48,551	10,344	15,219	22,988
Provided in the year	22,500	6,250	5,000	11,250
Disposals	(4,102)	-	-	(4,102)
At 31 March 1992	66,949	16,594	20,219	30,136
Net book value at 31 March 1992	£60,799	£27,646	£ 6,544	£26,609
Net book value at 31 March 1991	£78,493	£27,481	£11,255	£39,757

Included in the figures stated above are motor vehicles held under hire purchase agreements as follows:

	1992	1991
Net book amount	£21,512	£28,683
Depreciation charged in period	£ 7,171	£ 9,562

WARDSWIFT GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 1992

7. Fixed asset investments

	Total	Shares in associated company	Shares in subsidiary companies
Cost at 1 April 1991 and 31 March 1992	<u>£18,572</u>	<u>£18,500</u>	<u>£ 72</u>

At 31 March 1992 the company held more than 10% of the equity of the following companies:

	Country of incorporation	Class of share capital held	Proportion held	Nature of business
Mela Computers Limited	England	Ordinary	50%	Computer dealer
Millhouse Consultants Limited	England	Ordinary	70%	Dormant
Copy Factory Limited	England	Ordinary	50%	Dormant

Interest in trading associate

At 31 March 1992 the company's interest in Mela Computers Limited was as follows:

Share of net assets	<u>£46,339</u>
Share of profit on ordinary activities before taxation	53,762
Share of taxation on profit on ordinary activities	(15,153)
Share of profit after tax	38,609
Dividends paid to outside shareholders	(9,063)
	<u>£29,546</u>

WARDSWIFT GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 1992

7. Fixed asset investments (continued)

The company paid a premium of £6,000 for its interest in Mela Computers Limited.

Millhouse Computers Limited and Copy Factory Limited are dormant companies.

8. Debtors

	1992 £	1991 £
Amounts falling due within one year:		
Trade debtors	58,937	66,256
Other debtors	120	1,822
Prepayments and accrued income	13,154	542
	<u>£76,411</u>	<u>£68,620</u>

9. Creditors: amounts falling due within one year

	1992 £	1991 £
Bank overdrafts	5,213	56,497
Trade creditors	52,299	12,672
Current taxation	13,530	8,305
Amounts owed to group undertaking	1,085	-
Social security and other taxes	19,314	29,941
Accruals and deferred income	4,831	14,767
Amounts due under hire purchase contracts (net of finance charges allocated to future periods)	11,119	11,119
	<u>£107,391</u>	<u>£133,301</u>

WARDSWIFT GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 1992

10. Creditors: amounts falling due after more than one year

	1992 £	1991 £
Amounts due under hire purchase contracts (net of finance charges allocated to future periods)	7,961	19,080
Amounts owed to group undertaking	17,500	17,500
	<u>£25,461</u>	<u>£36,580</u>

11. Share capital

1992 and 1991

Authorized 50,000 ordinary shares of £1 each	<u>£50,000</u>
Allotted, called up and fully paid 12,500 ordinary shares of £1 each	<u>£12,500</u>
Allotted, called up and quarter paid 37,500 ordinary shares of £1 each	<u>£ 9,375</u>

12. Reserves

	Profit and loss account £
At 1 April 1991	21,192
Retained profit for the year	27,006
At 31 March 1992	<u>£48,198</u>

WARDSWIFT GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 1992

13. Capital commitments

The company had no capital commitments at 31 March 1992 or 31 March 1991.

14. Contingent liabilities

There were no contingent liabilities at 31 March 1992 or 31 March 1991.

15. Leasing commitments

Operating lease payments amounting to £64,348 are due within one year. The commitments to make the payments included in this sum expire as follows:

	Land and building,	Other
Between two and five years	<u>£57,000</u>	<u>£7,348</u>

16. Reconciliation of operating profit to net cash flow from operating activities

	1992 £	1991 £
Operating profit	58,007	31,972
Depreciation	22,500	26,927
(Profit)/loss on sale of tangible fixed assets	(10,021)	9,082
Increase/decrease in debtors	(7,791)	19,856
Increase/(decrease) in creditors	20,149	(8,647)
Net cash inflow from operating activities	<u>£82,844</u>	<u>£79,190</u>

WARDSWIFT GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 1992

17. Analysis of changes in financing during the year

	Total financing net of cash at bank and in hand £	Share capital (including premium) £	Loans and financia lease obligations £
Balance at 1 April 1991	51,994	21,875	30,119
Net cash inflow/outflow from financing	(11,039)	-	(11,039)
Inception of finance leases			
Balance at 31 March 1992	<u>40,955</u>	<u>21,875</u>	<u>19,080</u>

18. Analysis of changes in cash and cash equivalents during the year

	£		
Balance at 1 April 1991			(9,234)
Net cash inflow			51,164
Balance at 31 March 1992			<u>41,930</u>
Cash and cash equivalents comprise			
	This year 1992 £	Last year 1991 £	Change in year £
Cash at bank and in hand	47,143	47,263	(120)
Bank overdrafts	(5,213)	(56,497)	51,284
	<u>41,930</u>	<u>(9,234)</u>	<u>51,164</u>

WARDSKIFT GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 1992

19. Pensions

Defined contribution scheme

The company operates a defined contribution scheme for the benefit of senior employees and directors. The assets of the scheme are administered by trustees in a fund independent from those of the company.